From:	Stan Sokolowski <ssokolowski@cifc.com>
To:	Stan Sokolowski <ssokolowski@cifc.com>
CC:	
Date:	Wed, 11/5/2014 7:18:42 PM
Subject:	Daily Update

Quote of the Day

"Losing money is the least of my troubles. A loss never troubles me after I take it. I forget it overnight. But being wrong – not taking the loss – that is what does the damage to the pocket book and to the soul." - Jesse Livermore

---

- US risk is higher this morning as futures appear to be rewarding the electorate for the mid-term election results. The Republicans are suggesting the results are a referendum on the President's policies and leadership. The Democrats are suggesting the results are a function of "incumbency disease". Either way, the market is expecting too much from these results (my opinion). One commentator's quote: "If one of the problems voters had with Washington was that nothing got done, it's not going to get better after this election."

  Another headline being cited this morning is BoJ Governor Kuroda's statement:

  > "There are no limits to our policy tools...in order to completely overcome the chronic disease of deflation, you need to take all your medicine. Half-baked medical treatment will only worsen the symptoms,"

  Interestingly gold is off another $25 this morning (those guys have no fear of inflation…). The US treasury also announced a reduction in coupon auction sizes with a focus on two and three year notes (this will supportive of rates). The Yen and Euro continue their downward trends. Also, in the schadenfreude category, PIMCO had Total Return redemptions of almost $30bn last month (15% ish of the fund). The fund's assets have dwindled from $293bn to $171bn in the past year… Eminis: +12.5 10 year: 2.36%

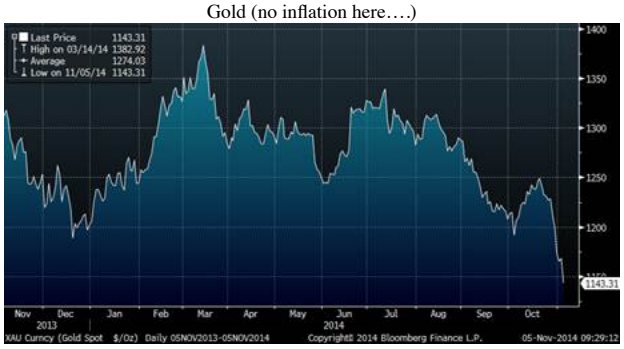
- Data: ADP printed at 230k (vs. 220k exp) with some small positive reservations. US PMIs are due at 9:45. EuroArea PMI rises to 52.1 (vs. 51.2 exp)

- Credit: Loans were quiet as sellers seemed to evaporate as new CLOs and SMAs came in seeking assets. Current levels from the trading desk:

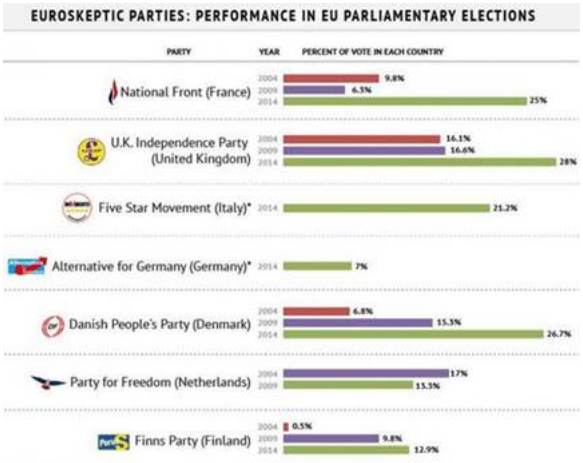
BB	275/75	98.5
B1	300/100	99.5
B2	325/100	99.75
B2/B3	350-375/100	100.25
B2/B3	400/100	100.5-100.75

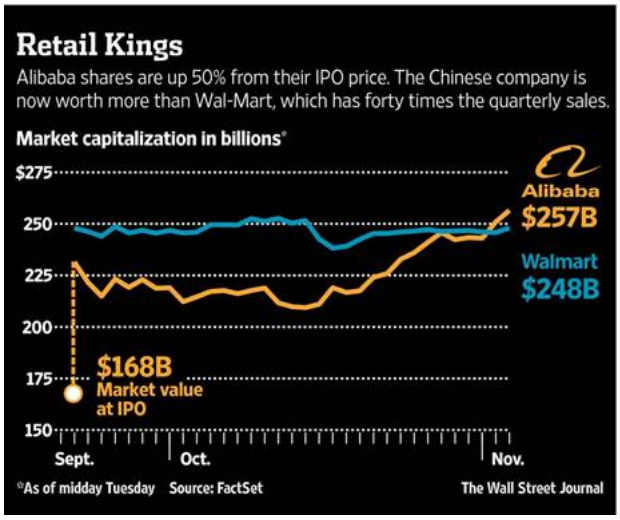
- Charts of the day:

Gold (no inflation here….)



History rhymes…





- Other:
  - Regulators remain miffed at leveraged bankers http://dealbook.nytimes.com/2014/11/04/a-recent-surge-of-leveraged-loans-rattles-regulators/?module=BlogPost-Title&version=Blog%20Main&contentCollection=Investment%20Banking&action=Click&pgtype=Blogs&region=Body
  - "Maybe pot will help D.C.?"* http://www.bostonherald.com/news_opinion/national/2014/11/ballot_measures_oregon_dc_voters_ok_use_of_pot
  - Update:

Oct 24, 2014 02:22 UTC (+4)
U.S. Population
319,133,473
COMPONENTS OF POPULATION CHANGE
02:22:14 UTC
One birth every 8 seconds
One death every 13 seconds
One international migrant (net) every 40 seconds
Net gain of one person every 15 seconds

- Sorry, one more. Really!?!?!!?

Giacometti's "Chariot," a bronze from 1950, sold for nearly $101 million Tuesday at Sotheby's first auction of the fall. CreditSotheby's

- HY: 107 (+1/8)
- IG: 64 ¾ (-3/8)
- CSLLI: 0.7% mtd / 2.80% ytd

*T. Ewing

Stan Sokolowski
Senior Portfolio Manager, Head of Portfolio Management and Trading
CIFC Asset Management LLC
250 Park Avenue, 4th Floor | New York, NY 10177
☎ (D) +1 212.624.0931 | (C) +1 203.918.3022
✉ ssokolowski@cifc.com | www.cifc.com

This communication and any files transmitted with it are confidential and intended only for the specified addressee. If you have received th